

Message Text

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17

ACTION NEA-12

INFO OCT-01 ISO-00 AID-20 CIAE-00 COME-00 EB-11 FRB-02

INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07 OPIC-12 SPC-03

CIEP-02 LAB-06 SIL-01 OMB-01 L-03 AGR-20 EUR-25 DRC-01

(ISO) W

----- 067205

R 120745Z MAR 74

FM AMEMBASSY ISLAMABAD

TO SECSTATE WASHDC 3730

INFO AMCONSUL KARACHI

AMCONSUL LAHORE

LIMITED OFFICIAL USE ISLAMABAD 2416

E.O. 11652: N/A

TAGS: EFIN, PK

SUBJ: POSSIBLE COMMERCIAL BANK LOANS TO PAKISTAN

REF: ISLAMABAD 2285

1. MARCH 11 RICHARD KLEIN, VICE PRESIDENT, CHASE MANHATTAN BANK, NEW YORK, AND DAVID LEVINE, MANAGER, CHASE MANHATTAN LTD., LONDON, TOLD EMBOFF THAT THEIR APPOINTMENT WITH GOP FINANCE SEC-GEN A. G. N. KAZI MENTIONED REFTEL HAD BEEN POSTPONED TO MARCH 13. LEVINE GAVE FOLLOWING DETAILS OF PROPOSED LOAN TO GOP TO BE PROVIDED BY SYNDICATE MANAGED BY FIRST BOSTON CORPORATION (EUROPE) MENTIONED REFTEL:

AMOUNT -- \$90 MILLION IN TWO TRANCHES:

TRANCHE "A":

AMOUNT -- \$50 MILLION

SECURITY -- GUARANTEE BY STATE BANK OF PAKISTAN

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TERM -- 3 1/2 YEARS

RATE -- LIBOR AND 1 1/4 PERCENT P.A. (LONDON INTER-BANK RATE)

AMORTI-
ZATION -- \$25 MILLION REPAID AT END OF 3RD YEAR;
\$25 MILLION AT END OF 3.5.

PURPOSE -- IMPORT OF VEGETABLE OILS

TRANCHE "B":

AMOUNT -- \$40 MILLION

SECURITY --GUARANTEE BY STATE BANK OF PAKISTAN

TERM -- 7 YEARS

RATE -- LABOR AND 1 1/2 PERCENT P.A.

AMORTIZATION -- \$10 MILLION REPAID AT END OF EACH OF
YEARS 4, 5, 6 AND 7

PURPOSE -- IMPORTATION OF TRUCKS AND AGRICULTURAL
EQUIPMENT.

2. LEVINE COMMENTED THAT CHASE OFFICIALS HAD HEARD
RUMORS THAT INITIAL REACTION FROM BUSINESS COMMUNITY TO
ABOVE LOAN HAS NOT BEEN VERY FAVORABLE. HE ADDED THOUGH
THAT FIRST BOSTON IS VERY PROUD OF ITS RECORD OF NEVER
HAVING A PROPOSED INTERNATIONAL LOAN OFFERING TO FAIL
FOR LACK OF PARTICIPANTS.BYROADE

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FINANCIAL DATA, BANK LOANS, DEVELOPMENT PROGRAMS
Control Number: n/a
Copy: SINGLE
Draft Date: 12 MAR 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974ISLAMA02416
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: ISLAMABAD
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740351/aaaabvnk.tel
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Office: ACTION NEA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: ISLAMABAD 2285
Review Action: RELEASED, APPROVED
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Review Comment: n/a
Review Content Flags:
Review Date: 24 JUN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <24 JUN 2002 by rowelle0>; APPROVED <27 JUN 2002 by morefirh>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
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Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: POSSIBLE COMMERCIAL BANK LOANS TO PAKISTAN
TAGS: EFIN, PK, US, CHASE MANHATTAN BANK
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005